

SUPREME COURT OF THE STATE OF NEW YORK

COUNTY OF NASSAU

- - - - - x

PRESIDENT R.C. - ST. REGIS MANAGEMENT  
COMPANY and IVAN KAUFMAN,

Plaintiffs,

-against-

PARK PLACE ENTERTAINMENT CORP., ARTHUR  
GOLDBERG and CLIVE CUMMINS,

Defendants.

- - - - - x

March 13, 2002  
9:56 a.m.

EAB Plaza  
Uniondale, New York

EXAMINATION BEFORE TRIAL OF IVAN  
KAUFMAN, a Plaintiff herein, taken by the respective  
parties, pursuant to Notice, and held at the  
above-mentioned time and place before a Notary  
Public in and for the State of New York.

1

2     A P P E A R A N C E S:

3

4             SWIDLER BERLIN SHEREFF FRIEDMAN, LLP  
5             Attorneys for Plaintiffs

6

7             The Chrysler Building  
8             405 Lexington Avenue  
9             New York, New York 10174

10

11            BY:   ANDREW J. LEVANDER, ESQ. and  
12            LOUIS M. SOLOMON, ESQ.

13

14

15            MELTZER LIPPE GOLDSTEIN & SCHLISSEL, P.C.  
16            Attorneys for Plaintiffs

17

18            190 Willis Avenue  
19            Mineola, New York 11501

20            (NOT PRESENT)

21

22

23            RUSKIN, MOSCOU, EVANS & FALTISCHEK, P.C.  
24            Attorneys for Defendant  
25            PARK PLACE ENTERTAINMENT CORP.

26

27            190 EAB Plaza  
28            East Tower, 15th Floor  
29            Uniondale, New York 11556

30

31            BY:   KEVIN SCHLOSSER, ESQ.  
32            TIMOTHY DeRENTA, ESQ.  
33            File #: 85271

34

35

36

1

2 A P P E A R A N C E S:

3

4 CADWALADER WICKERSHAM & TAFT, ESQS.  
Attorneys for Defendants  
5 ARTHUR GOLDBERG, Deceased and CLIVE CUMMIS

6 100 Maiden Lane  
New York, New York 10038

7 BY: JONATHAN M. HOFF, ESQ.  
8 ALLA LERNER, ESQ.

9

10

11 ALSO PRESENT:

12 RONA KUPFERBERG

13

14

15

16

17

18

19

20

21

22

23

24

25

1 Kaufman

2 good relations with both sides?

3 A No. Just that he related to them well.

4 Q Would you describe the transaction in  
5 which you acquired Mr. Mealous's interest?

6 A I can only do it in a general sense. I  
7 don't know all the particulars. I think I paid him  
8 a small percentage of the total purchase price up  
9 front and agreed to pay the balance over a five-year  
10 period. I think it was also contingent on me -- and  
11 I don't recall exactly how I structured it -- on me  
12 also being successful in buying out President River  
13 Boats or replacing President River Boats of  
14 developing an appropriate relationship with  
15 President River Boats to be the proper partner.

16 MR. HOFF: Mr. Kaufman, I am kind  
17 of interested in this testimony. Could  
18 you make an effort to speak up so I can  
19 hear you? It's very difficult. Can you  
20 move around this way?

21 MR. LEVANDER: There is a seat  
22 right here.

23 Q What was the small percentage up front  
24 that you paid?

25 A Might have been ten percent of the

---

1 Kaufman

2 purchase price.

3 Q What was the purchase price?

4 A I think it was like 5 million.

5 Q Was this transaction reduced to writing?

6 A Eventually.

7 Q What type of writing memorialized it?

8 A It was a typed letter agreement.

9 Q Was that agreement signed by the parties  
10 to it?

11 A Eventually.

12 Q That's a yes?

13 A Eventually, it was signed.

14 Q Who signed the agreement?

15 A I believe Gary did.

16 Q Gary Mealous?

17 A Yes. I believe I did.

18 Q Did you maintain copies of that  
19 agreement?

20 A I believe so. In fact, I think the  
21 agreement was required by the NIGC.

22 Q Do you currently maintain a copy of it?

23 A Probably.

24 Q Where?

25 A Walter Horn would have the records.

---

1 Kaufman

2 A I don't recall.

3 Q Do you recall ever putting down the  
4 first small percentage?

5 A Fifty or 500.

6 Q Did you put down the first percentage?

7 A Did I put down the first installment?

8 Q Yes.

9 A I think I did, but I'm not a hundred  
10 percent sure at this time.

11 Q Do you have any documentation of any  
12 payments to Mr. Mealous?

13 A I may. I don't know.

14 Q Is Mr. Horn also responsible for  
15 maintaining that record?

16 A I don't know.

17 Q Have you ever seen documentation of any  
18 payments to Mr. Mealous?

19 A I don't recall.

20 Q With respect to the ninety percent of  
21 the transaction, did you pay any portion of that to  
22 Mr. Mealous?

23 A I don't believe so.

24 MR. HOFF: I'm sorry?

25 THE WITNESS: I don't believe so.

1 Kaufman

2 Q Have you had any discussions with Mr.  
3 Mealous concerning satisfying that portion of the  
4 transaction?

5 A I don't recall.

6 Q Have you had any discussions with Mr.  
7 Mealous concerning payment of any amount on the  
8 transaction?

9 A I don't recall.

10 Q Has Mr. Mealous ever advised you that he  
11 intended to institute a lawsuit against you for the  
12 amounts unpaid?

13 A I don't recall.

14 Q Has Mr. Mealous ever indicated to you  
15 any intention to take any action with respect to the  
16 amounts unpaid?

17 A I don't recall.

18 Q In connection with the acquisition, who  
19 had the responsibility to pay Mr. Mealous?

20 A Which entity?

21 Q Yes.

22 A Probably PRC. I don't know which entity  
23 acquired NAMC, I have to look at the organizational  
24 structure to see what the prior entity was.

25 Q It's the entity that acquired it that

1 Kaufman

2 has the responsibility to pay?

3 A Could be. I have to look at the  
4 contract to see.

5 Q Do you have any personal responsibility  
6 for the payment?

7 A No.

8 Q Were any personal guarantees provided?

9 A No.

10 Q Do you have any agreement with Mr.  
11 Mealous concerning any recovery that you are seeking  
12 in this lawsuit?

13 A No.

14 Q Did you ever discuss that subject with  
15 Mr. Mealous?

16 A No.

17 Q Did you ever advise the tribe that Mr.  
18 Mealous was not paid the full amount of the purchase  
19 price of your acquisition?

20 A I don't recall.

21 Q Did that subject ever come up with the  
22 tribe?

23 A I don't believe so.

24 Q Did you ever advise the National Indian  
25 Gaming Commission that Mr. Mealous had not been paid



1 Kaufman

2 on your acquisition?

3 A I don't know.

4 Q Did that topic ever come up with the  
5 NIGC?

6 A Not with me.

7 Q To the extent you recall, did it come up  
8 with anyone?

9 A I don't think so.

10 Q Now, you mentioned that there was  
11 another entity called President River Boats  
12 Casinos --

13 A Yes.

14 Q -- in connection with this transaction?

15 Was that the other party that had an  
16 interest in the management agreement with Mr.  
17 Mealous's company?

18 A Yes.

19 Q Let's call them President River Boats  
20 for the purposes of this deposition, just to  
21 distinguish them from your President R.C. - St.  
22 Regis Management. Fair enough?

23 A All right.

24 Q What type of entity to the extent was  
25 President River Boats?

---